



'Real-time' Access Among New DegreeVerify Enhancements

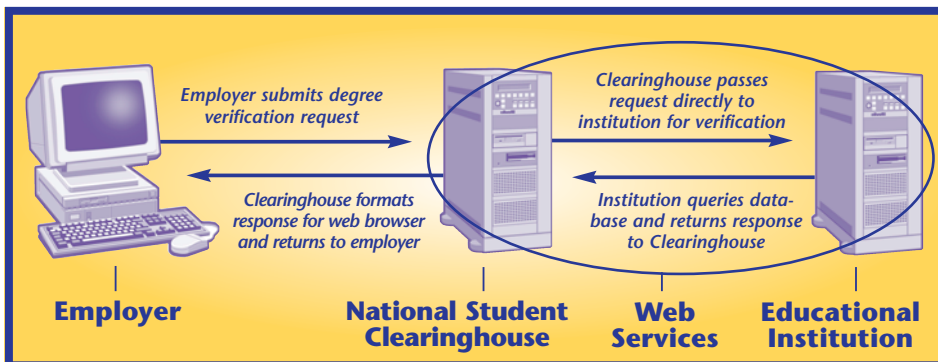
The Clearinghouse has just redefined the concept of high-speed, secure, real-time degree verifications. By harnessing the power of a new, standards-based technology called 'Web services', colleges and universities now have the option of allowing requestors to electronically verify degrees, in real-time, directly from the data residing in the institution's student information systems.

Until recently the primary method for the storage and retrieval of degree data was the 'batch-file' process: the Clearinghouse received a batch-file from an institution, the data contained in the file was stored in a Clearinghouse database, and then retrieved to provide verification of credentials to external requestors. While many institutions appreciate the advantages of the batch-file process, such as data redundancy and integrity checks, some institutions want their requestors to have real-time access to degree information.

The Clearinghouse has now made real-time verifications possible through the Web services option, which utilizes

industry standard protocols, such as HTTP (Hyper Text Transfer Protocol) and data formats, such as XML (eXtensible Markup Language). Similar in concept to EDI, Web services are designed to offer a secure, real-time mechanism for linking applications over the Internet without the complexity and rigidity sometimes associated with EDI. The use of standard protocols and data formats in Web services also eliminates reliance on proprietary vendor solutions and allows organizations and

return the verification results to the requestor. Assuming that the requestor is using a standard, high-speed Internet connection, the entire verification request could take less than one second. This DegreeVerify option will enable employers, recruiters and background search firms using the Clearinghouse's DegreeVerify service to obtain real-time information on the status of a potential candidate's academic credentials.



DegreeVerify Now EDI Compatible

In addition to the real-time Web services enhancements, now you can leverage your existing EDI (Electronic Data Interchange) programming investments. The Clearinghouse has recently enhanced its DegreeVerify system to accept degree data in EDI format. The addition of EDI support will allow 600+ EDI enabled schools to begin participating with little or no additional programming.

For more information contact the Clearinghouse.

institutions to choose the platform, language and software that works best for them. Supported by virtually all technology vendors including Microsoft, IBM and Sun Microsystems, Web services appear poised to unlock the true potential of the Internet.

How Web Services Work

A recruiter or background search firm would submit a verification request to the Clearinghouse over the Internet, just as they do now. The Clearinghouse would then pass the request in an XML format, via the Internet, to the post-secondary institution's database. The database would be queried and an XML-formatted verification response would be returned to the Clearinghouse. The Clearinghouse would format the institution's response for viewing by the Web browser and

Designed as a complementary alternative to the current batch-file procedures, the new Web services DegreeVerify option is the perfect solution for the outsourced verification process. The advantages to both post-secondary institutions and the authorized third-party requestors are numerous:

- Employers and background search firms can obtain real-time credentials information. With the Web services option, the data provided to requestors is instantaneous and current.
- The Web services implementation of the DegreeVerify service is not proprietary. Use of standard protocols and formats allows you to protect your technology investment and avoid the potential for vendor lock-in.

A Tale of Two Cities: Two Universities, in Cities Half a Continent Apart, Find DegreeVerify Vital to Registrar's Office Operations

DegreeVerify "Perfect Solution" for Texas A&M University

Located about 100 miles north of Houston, College Station is the home to university powerhouse, Texas A&M. With approximately 44,000 students, the activities in the registrar's office can be demanding. For Pam Reynolds, assistant registrar, concerns about her staff's workload and the increasing rate of credentials fraud were two of the main reasons why Texas A&M considered outsourcing degree verifications to the Clearinghouse. "We had to figure out a way to be creative with our resources. I only have a staff of 5 to support the needs of 44,000 enrolled students, not to mention the needs of our alumni and others. We've also been reading more and more about high-level individuals making fraudulent credentials claims. Ultimately this is an embarrassment for everyone." (For more information on the increasing prevalence of credentials fraud, turn to the article on page 4 in this issue of The Record.)

Reynolds found the answer to her concerns with DegreeVerify. "The

Clearinghouse offered us a perfect solution. We went live with DegreeVerify in December and noticed an immediate decline in the number of verification interruptions. My staff was elated! In addition, having a database of degree data that employers or third party verifiers can access with a few clicks on the Web makes the verification process extremely easy and substantially decreases the likelihood of someone trying to pass off a fake degree."

Despite Texas A&M's increasing need to outsource verifications, their decision to join DegreeVerify was not immediate. Texas A&M had been using other Clearinghouse services for a number of years, and while they felt comfortable with the quality of service, they weren't sure how third party requestors were going to react to the change. "Frankly, we were a little concerned about jumping into the DegreeVerify program, because no one wants to offend a potential employer who is going to hire one of our graduates," said Reynolds.

To the delight of the registrar's staff at Texas A&M, third party requestors have willingly accepted the shift to the DegreeVerify service. "The Clearinghouse is so professional in their planning and how they structure things," said Reynolds. "Our verifiers have responded enthusiastically to the change. They love the idea of being able to obtain instant verifications on the website."

For Don Carter, Texas A&M registrar, the positive changes DegreeVerify has made in his office quickly convinced him that their decision to outsource to the Clearinghouse was the right one. "I was not completely sold on the idea of outsourcing. However, in the first month that we used DegreeVerify I learned that the Clearinghouse handled 579 requests for degree verifications. I was really quite surprised as I never thought verification activity would reach those kind of numbers that quickly. DegreeVerify is indeed working at Texas A&M and we are very happy that we made the decision to go with the service."

In Wake of 9/11, CUNY-Manhattan Registrar Finds DegreeVerify Services "Essential"

Prior to September 11th, few would have guessed how valuable outsourcing would become to the registrar and staff at Borough of Manhattan Community College - City University of New York (BMCC-CUNY). As the World Trade Center collapsed onto their campus, and networks and systems were shut down, Greg Wist, registrar with BMCC-CUNY, and his staff were able to keep the verification process going throughout the crisis, having outsourced their enrollment and degree verifications to the Clearinghouse.

"We signed up to participate in EnrollmentVerify, had been very happy with the service, and were in the process of going live with DegreeVerify. We saw the benefits immediately - the reduction in workload, the ease of having third party requestors access a database 24/7. But, we didn't quite realize how important all of this was to our students and alumni until 9/11."

BMCC-CUNY has two buildings near the World Trade Center, one of which was heavily damaged by the collapse. Although the building that houses the administrative offices was not damaged,

it immediately became an operations center and living quarters for firefighting and Port Authority personnel in the weeks following the tragedy. Wist's staff was challenged, to say the least, with continuing the vital functions of his office, particularly as his team sought to set up makeshift offices in other CUNY facilities throughout the city. Temporary phone banks were installed and cell phones were put into use to carry on the every day duties of the registrar's office. Staff and faculty volunteered to contact the 17,000 BMCC students to keep them informed of the latest developments.

"Our computer center is housed on 57th Street, safely away from the World Trade Center, so all of our data files were intact. However, we couldn't access the data because the phone systems and T-1 lines were down. We also didn't get mail or faxes for two weeks. Just because we were only partially operational, though, didn't mean that our students and alumni didn't continue to require our services. Fortunately we had outsourced verifications to the Clearinghouse, so students, parents, and third-party requestors could still continue to obtain

this important information," said Wist.

Activities are now returning to normal at BMCC-CUNY. The staff is back in their offices and the phones are working. A few glitches still exist, but BMCC-CUNY is operational.

"My advice to any school is that they need the Clearinghouse badly," said Wist. "Being a participant in DegreeVerify is even more important to us now than it was a few months ago. The bottom line is you can't plan for every possible crisis. There are too many interactive elements associated with the management of the registrar's office. If one system goes down, perhaps the phones or the electricity, then it affects everything else. Ultimately, it is the students and alumni who suffer. The Clearinghouse can provide your students, alumni, and third party requestors with services when you can't."

For Greg Wist and his staff, though, the relevance of day-to-day office activities has been eclipsed by other more meaningful priorities. "Ultimately, the most important thing that we try to focus on every day is that we have jobs and we're alive."

Clearinghouse Developing INS Reporting Service; Inviting Input

In response to requests from the higher education community, the Clearinghouse is developing a new service to report demographic and enrollment data on international students to the Immigration and Naturalization Service (INS), on behalf of colleges and universities. This new service is expected to assist educational institutions with legal compliance and alleviate some of the anticipated workload burden associated with INS reporting.

Under the proposed INS guidelines, educational institutions must collect, process, and submit to the INS at least sixty-four required data elements for each international student, ranging from name and date-of-birth to the student's English proficiency level and personal financial data. The INS is in the final stages of creating a computerized system, known as SEVIS (Student Exchange Visitor Information System), to store all of the school-provided data and track the status of non-immigrant students, exchange visitors, and their dependents.

The level of detail required by SEVIS is causing college and university administrators concern from both a system and resource management perspective. According to Stephen Philip Johnson, assistant vice president of government affairs with Cornell University, post-secondary institutions are facing some unique challenges when it comes to meeting the rigorous INS international student reporting requirements. "We understand the national need to be responsive, but the complexity of the proposed SEVIS system could place undue financial and data gathering burdens on the post-secondary education system." Like many colleges and universities throughout the country, Johnson says Cornell is committed to finding a way to support the government's efforts to

combat terrorism, and at the same time, foster an environment of intellectual and academic freedom.

Over the last few months, many institutions, such as Cornell, have expressed these concerns to the Clearinghouse and specifically requested assistance, as the implementation of SEVIS looms closer. The Clearinghouse is pleased to respond to this call for aid, as it has in the past, when the higher education community was expected to comply with legislative and regulatory requirements to submit enrollment status reports. In 1993, the Clearinghouse was established to help institutions conform to Higher Education Act requirements to report the enrollment statuses of students with loans. In 1996, the Clearinghouse began providing information to institutions on their students who transferred-out so they could comply with new provisions in the Student Right To Know Act. And, in 1998, upon implementation of the Taxpayer Relief Act, the Clearinghouse was there to prepare required reports for students and the Internal Revenue Service on behalf of its participating colleges and universities.

According to the currently proposed INS requirements, the Clearinghouse may be in a good position to help educational institutions simplify the reporting process. In fact, institutions already provide the Clearinghouse with some of the enrollment data required by SEVIS. By including additional data in the enrollment files they currently submit, institutions will enable the Clearinghouse to fulfill their INS reporting obligations. Schools may find the Clearinghouse process advantageous since it will use existing computer programs, thereby reducing programming efforts. In addition, the process will use existing file transfer protocols, thus avoiding

the creation and maintenance of additional reporting schedules and transmission projects that would otherwise be necessary if schools reported directly to the INS.

At present, Clearinghouse staff is holding meetings with the INS to discuss available options. In addition, the Clearinghouse is working with a select group of institutions to develop the service. We invite your feedback on the topic of the INS international student reporting requirements. In particular, please let us know the name of the individual at your institution who will be responsible for reporting to the INS. If your institution is interested in this forthcoming service or would like to help guide our development process, please have your designated INS individual contact the Clearinghouse by phone at 703-742-7791 or by email at service@studentclearinghouse.org.

"The Clearinghouse can certainly play a valuable role in simplifying the reporting process for institutions as well as the INS. In 1998, when the U.S. Treasury Department began to implement the Taxpayer Relief Act (TRA), their proposed regulations included a long list of data elements that institutions were expected to report. Several hundred institutions, at the time, urged the Clearinghouse to use their enrollment data to create and submit reports on their behalf. The positive experience of institutions with the tax reporting process makes it imperative that we investigate a similar option for INS reporting. We hope that we can work with the INS to ensure that the proposed SEVIS system will be at least as flexible as the tax reporting system."

Jerry Sullivan
Executive Director, AACRAO

Credentials Fraud on the Rise:

DegreeVerify Helping to Combat Fraud Problems

How prevalent is credentials fraud? According to the experts, it is quite common. Consider this. In the last few months, a high-profile university football coach was forced to resign due to fraudulent credentials claims. Recently, a well-known Baltimore councilman was forced to drop out of the mayoral race when it became known that he lied about receiving a degree. The irony is that both of these individuals were under constant public scrutiny, yet, no one questioned their credentials.

Industry experts suggest that up to 30% of all job applicants falsify their credentials. In fact, a 2001 survey conducted by Kessler International, a top international security and investigations firm, found that more than 25% of the 1,000 resumes it reviewed for a technology company contained misleading information or false credentials.

According to Robert Schlossnagle, vice president of operations with Kroll Background America, a national pre-employment screening firm, individuals lie on resumes because it is easy to do and the lure of better paying jobs outweighs the risk of falsifying credentials. "There are actually websites out there that, for less than twenty dollars, will provide a fake paper degree from any university with any degree type. The bottom line is

people get away with this because many employers don't verify credentials. One of the primary reasons employers don't verify credentials is that the process of tracking down the right person to speak to at the college or university is simply too cumbersome."

In a recent study conducted by his firm, it took an average of three phone calls to a registrar's office to obtain a single degree verification. "This is way out of line from what you would expect, and often employers or recruiters just give up because they simply want to move forward in the hiring process," said Schlossnagle.

Ignoring the credentials verification process can be costly for organizations. According to Proudfoot Reports Incorporated, a national background investigations firm, falsified credentials can be a precursor to future problems. According to annual data collected by Proudfoot, employee theft costs companies more than \$20 billion, there are more than 2 million crimes in the workplace, and over \$4 billion in productivity and legal fees are lost to corporations due to workplace problems.

Hiring employees with bona fide credentials is the first step in preventing theft and crime in the workplace.

Fortunately, the embarrassment and cost to an employer when they hire and then fire someone with false credentials and the unnecessarily long verification processing time can be alleviated through participation in the Clearinghouse's DegreeVerify service. "There is simply no better way to help both alumni and employers move forward in the hiring process than by participating in DegreeVerify," said Schlossnagle. "As a 24/7 one-stop-shop for verifications, the DegreeVerify database is a powerful and useful hiring tool. Because data is automated and electronic, quality control is greatly improved and the chance for human error is minimized."

To learn more on the increasing pervasiveness of credentials fraud and what you can do to prevent your institution from becoming a victim, join us at the Clearinghouse general information session entitled "Outsourcing DegreeVerify Verifications," scheduled for Monday, April 15th from 4:15 to 5:15 pm, at the 2002 AACRAO Conference. Garrett Chelius, national account manager with Proudfoot Reports Incorporated, will join other guest speakers from higher education to discuss the issues facing registrars and employers as more colleges and universities outsource their degree verifications.

2002 AACRAO Annual Meeting:

Clearinghouse Sponsoring Special Session on Outsourcing

An array of speakers, sessions, and exhibits rounds out the schedule for the 88th Annual AACRAO Meeting scheduled for April 14-17, 2002 in Minneapolis, Minnesota. As in past years, the National Student Clearinghouse has some exciting and interesting activities planned for attendees.

- Mark your calendars for the Clearinghouse general information session entitled "Outsourcing Degree Verifications," scheduled for Monday, April 15th from 4:15 pm to 5:15 pm. The presentation will focus on the issues facing registrars and employers as the outsourcing of degree verifications becomes more commonplace at colleges and universities. Bill Haid,

AACRAO past president and current executive director of enrollment services at Colorado State University will moderate the presentation. Dugald "Scotty" McMillan, associate registrar with Michigan State University, will address a registrar's perspective on the degree verification process and Garrett Chelius, national account manager with Proudfoot Reports, Inc., will provide insight into verifications from an employer's point-of-view.

- Don't forget to stop by the Clearinghouse booth in the exhibit hall and register to win one of five all-expense paid trips to AACRAO's acclaimed Registrar 101 course. Designed to provide student record

management professionals with an overall perspective on the role of the registrar, Registrar 101 incorporates a number of different modules, each a mission-critical element to creating a successful and efficient registrar's office.

- Visit the Clearinghouse booth to view our interactive computer programs that demonstrate the power and speed of our Web-based verification processes. Learn how to expand your use of the Clearinghouse to enhance the degree and enrollment verification process with lenders, employers, students, and others.

We look forward to seeing you there!

Clearinghouse Board Elects Four New Directors

In an effort to remain responsive to our customers' needs, the Clearinghouse carefully selects board members who bring a broad range of experience and industry knowledge to the organization. Our board members represent various professions, organizations and institutions within the higher education community, including registrars, directors of financial aid, lenders, loan servicers, and guarantors. The Clearinghouse board of directors is chosen with input and advice from leading higher education associations, such as AACRAO, NASFAA, and NCHELP. Please join us in welcoming Jeanne Weber-Dotson, Bill Beckmann, Bill Mackie, and Jim Stipcich, as the four new Clearinghouse board members elected at the June and January board meetings.

Jeanne Weber-Dotson, Director, Student Loan Repayment Tuition Accounts, Concordia College, Moorhead, Minnesota

For the past twenty-eight years, Jeanne Weber-Dotson has administered the National Direct/Perkins Loan Program at Concordia College, a private liberal arts college, located in the heart of the Red River Valley. She is also the current president of the Coalition of Higher Education Assistance Organizations (COHEAO). Jeanne is a presenter for many well-known higher education organizations such as the National Association of College and University Business Officers (NACUBO), the Minnesota Association of Financial Aid Administrators (MAFAA), and the Professional Development Group (PDG). She has also been a member of the Department of Education's National

Student Loan Data System (NSLDS) School Advisory Group. In 1993, Jeanne was named Fargo-Moorhead's Businesswoman of the Year and, in 1995, received the Outstanding Institutional Member Award for COHEAO.

Bill Beckmann, Chairman, Citibank-Student Loan Corporation (SLC), Rochester, New York

Bill Beckmann brings twenty years of experience in the banking and lending industry to the Clearinghouse board of directors. Prior to being elected chairman of the Citibank-Student Loan Corporation (SLC), he served as President and CEO. Between 1995 and 1997, Bill also held the position of vice president of strategy and new business development at IBM, where he helped form and subsequently joined IBM's Global Internet Division. He currently serves on the boards of Citibank New York State, the Consumer Bankers Association (CBA) Education Funding Executive Committee, the California Student Aid Commission (CSAC) Lending Advisory Committee, and the Higher Education Services Corporation – New York State (HESC NYS). Over the last few years, Bill has provided consulting services to several congressional committees, including the Congressional 'Study Group' on Applying Market Mechanisms to Student Loans.

William Marshall Mackie, Jr., President and CEO, South Carolina Student Loan Corporation

Bill Mackie brings close to forty years of experience in higher education to the Clearinghouse board. Currently, he serves

as the president and CEO of the South Carolina Student Loan Corporation, a private, non-profit entity created by the state to administer the student loan programs in South Carolina. Prior to this, Bill spent ten years as the associate director of admissions and financial aid at Wake Forest University. His professional activities include membership on the boards of the National Council of Higher Education Loan Programs (NCHELP) and the Education Finance Council. In 1996, Bill was awarded the Order of the Palmetto, the highest civilian award granted in the state of South Carolina.

Jim Stipcich, President and CEO, Student Assistance Foundation of Montana (SAF)

Jim Stipcich brings eighteen years of service as a senior executive with Federal Family Education Loan Program (FFELP) related organizations to the Clearinghouse board of directors. Prior to his position as president and CEO with the Student Assistance Foundation (SAF) of Montana, Jim spent eighteen years as the executive director of the Montana Higher Education Student Assistance Corporation (MHE-SAC). He also serves on the Montana Student Loan Advisory Council and has previously served on the board of directors of the Education Finance Council (EFC). In addition to being active in National Council of Higher Education Loan Programs (NCHELP), Jim has provided direction and guidance to drafting and sponsoring legislation that resulted in the Montana Family Education Savings Plan.

Real-time Access Among New DegreeVerify Enhancements, cont'd.

You also avoid the need to install and maintain proprietary vendor equipment, such as PCs, on your premises. Using existing hardware and software, your own IT department can deploy Web services.

- Web services were designed with security in mind. Utilizing 128-bit data encryption and multiple authentication/authorization steps, the Web services option gives you maximum control of your environment. Your student records stay in your databases, behind your firewalls.
- The Clearinghouse is working with several well-known SIS (student information

system) vendors to integrate the Web services option into their software, so that institutions using those vendors will be automatically Web services-enabled.

- The DegreeVerify Web services option is a set of standard protocols and technologies, not a product. You are free to implement the standards using any software development tools.

To ensure the widest possible support for the DegreeVerify Web services specification, the Clearinghouse recently joined the Post-secondary Electronic Standards Council (PESC) and the XML Forum for Education, where many complementary

initiatives are under development. In addition, the DegreeVerify Web services specifications have been submitted to the XML Forum for review and input.

Whether you prefer the advantages of the batch-file process or want multiple verification methods available for use by your institution, the DegreeVerify service delivers. For more information on the Web services DegreeVerify option, please contact your regional director or the Clearinghouse at 703-742-7791.

Jeffery Tanner Joins Clearinghouse as Vice President of Higher Education Development

After more than thirty years in higher education, Jeff Tanner joined the Clearinghouse executive management team on February 4, 2002, having most recently served as the associate dean of admissions and records at Brigham Young University. His experience includes a past national presidency and board membership with AACRAO, work as a financial aid director, assistant registrar and director of admissions, and numerous academic consulting positions throughout the world. He also served on the Clearinghouse board of directors from 1994 through 2001.



institutional researchers and other academic administration professionals to provide student record management services and solutions to the higher education community. John Ward, who previously held this position, assumes the role of vice president of client services, managing the operational implementation and delivery of services to institutions, as well as directing Clearinghouse corporate communications activities.

"We've had the pleasure of working with Jeff for almost ten years. He has served on our board since the Clearinghouse's founding and has contributed extensively to the establishment and growth of the Clearinghouse," said Daniel R. Boehmer, president of the National Student Clearinghouse. "In addition to his outstanding leadership skills, he brings a broad range of academic experience that will be helpful as the

Clearinghouse moves forward in developing and maintaining important relationships within the higher education community."

"This is an exciting time to be joining the Clearinghouse. Requirements for student records management and reporting are growing more complex each year, and the Clearinghouse is well positioned to provide academic administration professionals with the services they need to operate efficiently in the 21st century," said Tanner. "The Clearinghouse has an excellent track record and I am pleased to be part of the organization. I am looking forward to working with my registrar colleagues in my new capacity and I encourage them to call me at 801-225-5236"

Jeff will be relocating to Washington DC's Northern Virginia suburbs, and working at the Clearinghouse offices located in Herndon, Virginia.



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